



UK Trade & Investment

The ICT industry in the UK

The market in the UK:

The ICT sector is one of the largest wealth creators in the UK.....

- It is worth £140 billion / \$217 billion, accounting for 12% of GDP and employing 600,000 people directly
- The UK internet economy is estimated to be larger per head than in any other country
- The UK is the largest European market for high-end consumer electronics products
- The UK has the strongest ICT skills in Europe and the highest number of ICT graduates in the whole of Western Europe
- The UK has 3 of Europe's top 5 technology universities (Cambridge, Oxford and Imperial)
- UK customers are early adopters of new technology and design - an excellent 'test bed'

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Future opportunities:

Software:

- The UK is Europe's leading market for software and IT services with a market value of £58 billion pa. Independent research by Microsoft has indicated that the market could drive the creation of 2,500 new businesses and 78,200 new jobs by the end of 2013
- The UK is a powerhouse for software development attracting £930 million pa software R&D investment from international businesses

Cloud Computing & Data Centers:

- The UK data center market is currently estimated to be the second biggest in the world after the US west coast. It is valued in excess of \$3.35bn, and had growth of 25 per cent in 2012

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Future opportunities:

Cyber Security:

- The UK offers opportunities in a vast number of areas under the broad cyber security heading including: authentication, authorisation, trust, identity management, cryptography, cryptanalysis, computer security (largely defence against malware), human aspects of security, privacy, information hiding, anonymity, digital rights management and watermarking

Consumer Electronics:

- The UK is the largest European market for high-end consumer electronics products
- UK is an early adopter of consumer electronics so it is an excellent location for development and test of function, use cases and design realisation

Semiconductors and Electronic Design:

The UK is home to over 40% of Europe's electronics design industry



Smart Cities

Power Electronics,
Communication, Sensors and
Lighting
impact

Smart homes & Buildings,
Energy control and monitoring
as well as Public services and
consumer applications

Energy

Communications, Sensors &
Power electronics impact
Smart Grid solutions & Smart
Metering, Home Monitoring &
Smart Homes

Electronics &
Communications
are key enabling
technologies

Transport

Semiconductor Design, Power
Electronics and Communications
Impact

Intelligent transport systems,
Automotive electronics, Electric
vehicles, Smart infrastructure and
Road signs and sensors

Healthcare

Semiconductor Design,
Lighting, Sensors and
Communications

Impacts

Biomedical electronics and
photonics, Telemetry and
monitoring, Assisted living &
Diagnostic devices

Government's Commitment to the Life Science Sector

"In December 2011 I made a firm commitment to re-establish the UK's global leadership in the life science sector, announcing the Government's ten-year Strategy for UK Life Sciences."

"By more closely integrating the UK's unique strengths, I believe that we can improve healthcare for patients, attract new investment to the UK, and create new jobs and business opportunities in an increasingly competitive and international industry."

A handwritten signature in blue ink that reads "David Cameron".

David Cameron
Prime Minister

The Strategy makes the most of the UK's core strengths:

- Basic science in universities
- Translational and clinical research
- Industry
- The National Health Service (NHS)

Medical Technology in the UK – Key Facts

- A total of 3,129 companies
- A turnover of £16bn
- Total number of employees is 71,000
- The UK is home to 481 companies with turnovers in excess of £5m per annum
- 78.5% of companies have turnovers in the range of £100k to £5m per annum
- 33% of total medical technology turnover is generated by companies involved in research and development and/or manufacturing

The UK has

3,129

companies employing

71,000

people creating

£16bn

turnover

Source: *Strength & Opportunity 2012*; BIS

Medical biotechnology in the UK – Key Facts

- A total of 979 companies
- These companies have a combined turnover of £3.7 billion
- Total number of employees is 25,662
- 307 companies are directly involved in therapeutic development and manufacture.
- 34.4% of therapeutic companies are focused on oncology or infection.
- 46% of total medical technology turnover is generated by companies involved in research and development and/or manufacturing.

The UK has

979

companies employing

25,662

people creating

£3.7bn

turnover

Source: *Strength & Opportunity 2012*; BIS

Pharmaceuticals in the UK – Key Facts

- A total of 387 companies with a combined turnover of £30.0bn with top 20 global companies contributing 68% of turnover
- 17 of the top 20 global by turnover have major activities in the UK
- The sector employs 69,511 with 42% located on manufacturing sites
- Small molecules is the major pharmaceutical segment followed by specialist suppliers to the sector and therapeutic proteins.

The UK has

387

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UK Trade
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BUSINESS IS GREAT

BRITAIN &
NORTHERN IRELAND

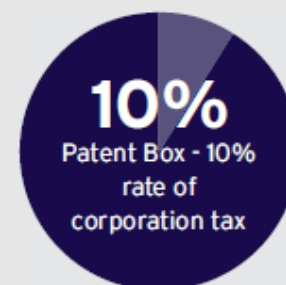
AT THE HEART OF
GLOBAL BUSINESS



A Business Environment that Supports and Rewards Innovation

The UK government has introduced a suite of fiscal measures to stimulate innovation and growth for companies:

- Patent Box: 10% reduced tax rate
- R&D tax credits: Up to 25p back per £1 spent
- £300 million UK Research Partnership Investment Fund
- £180 million Biomedical Catalyst
- Regional funding such as the £100 million Welsh life sciences fund
- Scottish Enterprise - Grants for business growth



- R&D tax credits for SMEs worth approximately 25p on every £1 (7p for large companies.)



£300m

- To stimulate R&D partnerships between universities, businesses & charities



£180m

- Biomedical Catalyst = £180m programme of public funding for growth

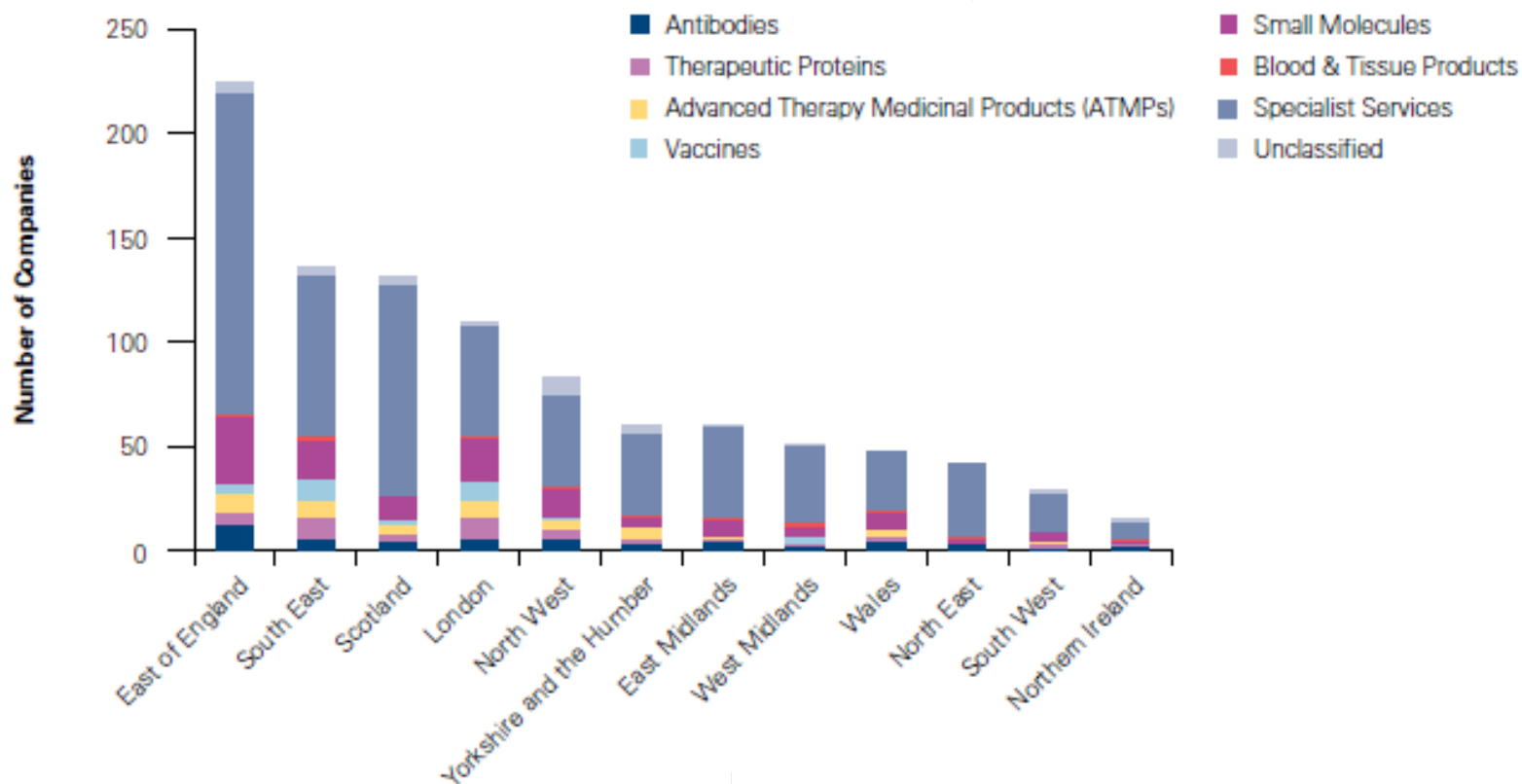
The UK – a New Strategy for the Life Science Sector

Government launched a new Strategy for the sector in 2011, and has made progress to date to:

- Improve the efficiency of the translation of scientific discoveries into innovative products and services
- Make that process smarter, better, and faster
- Generate bigger returns for patients, businesses and investors

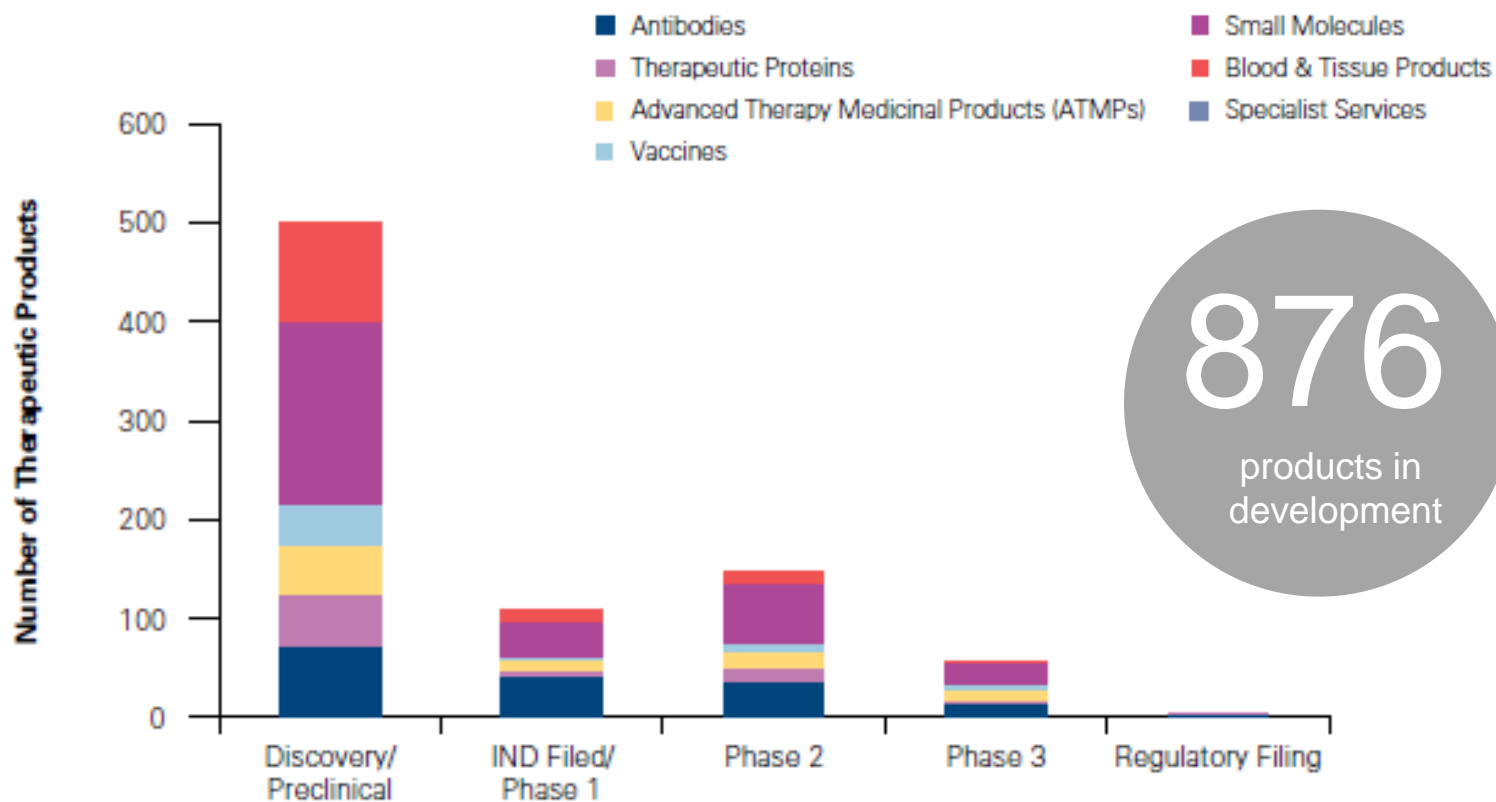


Number of medical biotechnology companies by UK region



Source: Strength & Opportunity 2012; BIS

UK medical biotechnology companies drug pipeline



Source: Strength & Opportunity 2012; BIS